



METROPOLITAN  
TRANSPORTATION  
COMMISSION

Joseph P. Bort MetroCenter  
101 Eighth Street  
Oakland, CA 94607-4700  
TEL 510.817.5700  
TDD/TTY 510.817.5769  
FAX 510.817.5848  
E-MAIL [info@mtc.ca.gov](mailto:info@mtc.ca.gov)  
WEB [www.mtc.ca.gov](http://www.mtc.ca.gov)

## *Memorandum*

TO: Planning Committee

DATE: April 14, 2006

FR: Executive Director

RE: Resolution 3434 – Update on Draft Revision

At the March Planning Committee, a draft update to the Resolution 3434 Regional Transit Expansion Program was released for public comment and review in preparation for a revision in April 2006. This memo provides a summary of comments received and an updated staff recommendation based on those comments and further staff analysis.

### **Background**

As part of the 2001 Regional Transportation Plan (RTP), the Commission approved a consensus agreement on Bay Area transit expansion. Resolution 3434 – the successor plan to Resolution 1876 – identified 19 rail and bus projects as priority for transit expansion. Roughly \$9.7 billion in funding was identified for \$10.5 billion in project costs. The plan included an array of funding from federal, state, and local sources and matched funds to projects based on competitiveness and eligibility.

In addition, the Commission acted last summer to update Resolution 3434 to add a transit-oriented development policy element to the transit expansion program. This element conditions transit expansion projects funded under Resolution 3434 on supportive local land use plans and policies, as originally envisioned in the policies and procedures established to select transit expansion investments.

### **Summary of Changes Proposed at the March Planning Committee Meeting**

While there are some changes to the regional funding picture and to individual project funding plans and scopes, the regional vision for an expanded transit network remains largely unchanged in this update. The revision is foremost a reaffirmation of MTC's commitment to the regional transit expansion program adopted in 2001. The following were the primary changes proposed at the March meeting:

1. There is one new project – five new or expanded ferry routes and improvements to the San Francisco ferry terminal – that is proposed to enter the Resolution 3434 program as revised. This adjustment to the region's transit expansion program was contemplated at the time of its adoption in 2001, pending approval by the California Legislature of the Water Transit Authority's Implementation and Operations Plan, which has since occurred.

2. Four projects were proposed for elimination from Resolution 3434 because they are not dependent on regional funding, or are a second phase of another 3434 project. These projects include the Santa Clara Valley Transportation Authority (VTA) Downtown to East Valley project, Caltrain Express Phase 2, Capitol Corridor Phase 2 Expansion, and the AC Transit Enhanced Bus: Hesperian/Foothill/MacArthur Corridor.
3. While the project mix is relatively unchanged since the 2001 adoption, the cost and funding pictures are quite different. Excluding the projects discussed above that are proposed for removal from Resolution 3434 and the two projects that have opened for service, the costs for the remaining projects have increased from \$9.1 billion to \$12.5 billion or roughly 36%.
4. Revenue increase – On the positive side, the region had an infusion of roughly \$800 million for the Resolution 3434 program through the approval by the voters of Regional Measure 2 (RM2) in March 2004. The passage of sales tax renewals in Contra Costa, San Francisco, and San Mateo counties also contributed to increased revenues for some projects.
5. New Competitive Federal Fund Source –As noted at the March meeting, staff is recommending that the region advocate initially for the AC Transit Bus Rapid Transit project along Telegraph/International/East 14<sup>th</sup> Street for the new Federal Small Starts program. Given that the regulations are still being finalized and that there are other projects in Resolution 3434 that may be eligible and have a demonstrated need for more secure funding, staff is proposing that an additional regional candidate project could be considered after FTA finalizes the regulations and as planning efforts for the candidate projects advance.

### **Comments Received During Public Review Period**

Comments received included updates to project funding and capital cost for four projects and concern from project sponsors regarding the removal of projects from the program. A letter from VTA about the proposed removal of the Downtown East Valley project is attached.

#### *Updates to Project Funding and Capital Costs*

Staff received updated funding and cost information for four projects: Capitol Corridor Phase 1 Expansion, BART to Warm Springs, Transbay Transit Center, and Caltrain Electrification. The updated information is reflected in Attachment B and includes:

- Capitol Corridor Phase 1 Expansion: The cost and funding estimates for the Capitol Corridor Phase 1 Expansion project have been adjusted from \$78 million to \$96 million, to reflect the funding necessary to reach 16 daily round trips between Oakland and Sacramento/San Jose. Full funding has been identified for this project, primarily from the discretionary ITIP program's intercity rail set-aside.
- BART to Warm Springs: The BART to Warm Springs project information was updated to reflect a shift of \$11 million in funding from the Traffic Congestion Relief Program to the Regional Transportation Improvement Program. This exchange facilitates the

construction of the Fremont Grade Separation project, an important first step in the BART to Warm Springs and San Jose extensions.

- Transbay Transit Center: The funding for the project was updated to increase the San Francisco Proposition K from \$146 million to \$270 million to reflect the commitment made as part of the expenditure plan. The prior number had been adjusted for expected financing cost. As a reminder, Resolution 3434 does not include financing costs, which are the responsibility of individual sponsors.
- Caltrain Electrification: As a result of a refined project scope and schedule presented to the Peninsula Joint Powers Board on April 6<sup>th</sup>, the project cost is reduced from \$650 million to \$471 million. The primary drivers of this cost decrease are the removal of rolling stock from the project scope and the redefinition of the project limits as San Francisco to San Jose, instead of Gilroy to the south. The project funding plan has also been adjusted to eliminate less certain revenue sources such as the ITIP and funding sources associated with rolling stock, as rolling stock is no longer included in the project cost. A funding condition has been added to Attachment D to note that the balance of the funding after considering expected funding from regional sources will be shared jointly in equal proportions by the three member agencies. Since San Mateo and Santa Clara counties already have committed their 1/3 share from local sales tax funds, this funding condition effectively would require San Francisco to cover the project's \$94 million capital shortfall from funding sources under its direct control.

There is still one outstanding issue with respect to the funding plan for the BART Warm Springs to San Jose/Santa Clara project. The Valley Transportation Authority (VTA) has been asked to confirm the commitment of \$149 million in RTIP funds for the project through a reconciliation of their countywide plan and MTC's Transportation 2030. Staff will update the funding plan before the Commission meeting based on the information provided by VTA.

*Comments on Removal of Phase 2 Projects and Projects Not Reliant on Regional Funds*  
Staff originally proposed the elimination of four projects from Resolution 3434:

1. VTA Downtown to East Valley Extension
2. Caltrain Express Phase 2
3. Capitol Corridor Phase 2
4. AC Transit Enhanced Bus: Hesperian/Foothill/MacArthur Corridors

Staff proposed the elimination because the projects are not dependent on regional funding, or are a second phase of a project currently included in Resolution 3434. The rationale for the proposal was intended to create a more focused and deliverable program of projects.

Several of the project sponsors strongly favored retaining their projects as part of the region's transit expansion program, even if the projects might be of a secondary priority to other projects. These sponsors commented that inclusion in Resolution 3434 was a key component to project delivery, in that inclusion in the program assists the sponsors in obtaining additional funding, maintaining project momentum, and communicating the regional significance of the project.

Staff has worked with the four sponsors of the projects proposed for elimination to refine project scopes and update funding, cost and schedule estimates. This further definition provides a clearer picture of how these projects are moving forward in the project delivery process and meet the requirements of Resolution 3434. Specific details are noted below:

**Downtown to East Valley:** VTA staff has indicated in their letter that the Board of Directors is still in the process of outlining their Measure A expenditure plan; therefore, it is unclear whether or not this \$575 million project will require any regional funding sources or will be 100% locally funded. Staff has proposed a condition for this project in Attachment D to Resolution 3434 that VTA confirm their funding commitment through Measure A, or identify alternative revenue sources that may be requested to close any funding shortfall that could result should the Measure A expenditure plan not cover the entire cost.

**Caltrain Express Phase 2:** Peninsula JPB staff has rescoped this project to be capacity improvements necessary over the next ten years to expand their Baby Bullet service. The capacity improvements include adding passing tracks between San Carlos and Menlo Park and upgrading signals. The cost of the project is \$250 million, and roughly \$140 million in sales tax funding has been identified. Similar to the Caltrain Electrification project, MTC staff is proposing to add a condition that the member agency contributions be defined and committed before the next update to Resolution 3434 or the 2009 RTP, whichever occurs first. The current sales tax commitment is largely San Mateo County funds.

**Capitol Corridor Phase 2:** Capitol Corridor staff has confirmed the cost and scope for Phase 2, noting that the project is now fully funded. The new funding plan relies on a blend of ITIP intercity rail and contributions from various local sources.

**AC Transit Enhanced Bus: Hesperian/Foothill/MacArthur Corridors:** AC Transit has redefined this original three-corridor project to instead focus on the next agency priority, the Grand-MacArthur project. The project cost is \$68 million, and is partly funded through RM2 and Alameda CMA RTIP funds. The project has a remaining shortfall of roughly \$50 million.


With the cost and funding refinements, staff now recommends these projects remain in Resolution 3434, with their adjusted scope and funding plans. These projects are highlighted in yellow in the spreadsheet in Attachment C.

### **Recommendation**

The revised staff recommendation now includes a program of 20 projects totaling \$13.5 billion. The identified funding stands at roughly \$11.2 billion with a \$2.3 billion shortfall remaining. This compares with a \$10.5 billion program cost with \$9.7 billion in identified funding and a resultant \$0.8 billion shortfall, as originally adopted in Resolution 3434 in 2001.

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April 14, 2006  
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Staff recommends the Planning Committee refer Resolution 3434, Revised to the Commission for approval.

  
Steve Heminger

SH: AB

Attachment: Letter dated March 17, 2006 from VTA  
Resolution 3434 –Revision

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March 17, 2006

Mr. Steve Heminger  
Executive Director  
Metropolitan Transportation Commission  
101 8<sup>th</sup> St.  
Oakland, CA 94607

Re: Resolution 3434: The Regional Transit Expansion Program Update

Dear Steve:

I would like to thank the Metropolitan Transportation Commission (MTC) for the opportunity to review the proposed changes to Resolution 3434: The Regional Transit Expansion Program Update. I appreciate MTC's efforts to focus The Expansion Program on a limited number of projects addressing the most significant transit needs in the region.

The Valley Transportation Authority (VTA) does not support the proposed removal of the Downtown East Valley Project from Resolution 3434. This corridor serves one of the highest transit use populations in Santa Clara County and the region. In addition, the staff memo, dated March 3, 2006, states that the project is to be removed from the Program because it is "100% locally funded through Santa Clara's Measure A sales tax, and does not assume assignment of discretionary sources at the regional level." The VTA Board of Directors has been working on a Measure A Expenditure Plan that fully outlines the funding program for many long range VTA transit improvements including Downtown East Valley. However, that plan has not been finalized or adopted by the Board. It is unknown at this time whether the project will require regional funding. Removal of the project from Resolution 3434 is inappropriate at this time and VTA requests that it be reinstated in the Program.

We look forward to continuing to work with MTC on the Resolution 3434 Update. Please contact Carolyn Gonot, Chief Development Officer, at (408) 321-5623 if you desire to discuss this matter further.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael T. Burns".

Michael T. Burns  
General Manager

cc: VTA Board of Directors  
Therese McMillan, MTC  
Alix Bockelman, MTC  
Carolyn Gonot, VTA

Date: December 19, 2001  
W.I.: 12110  
Referred by: POC  
Revised: 01/30/02-C  
07/27/05-C  
04/26/06-C

ABSTRACT

Resolution No. 3434, Revised

This resolution sets forth MTC's Regional Transit Expansion Program of Projects.

This resolution was amended on January 30, 2002 to include the San Francisco Geary Corridor Major Investment Study to Attachment B, as requested by the Planning and Operations Committee on December 14, 2001.

This resolution was amended on July 27, 2005 to include a Transit-Oriented Development (TOD) Policy to condition transit expansion projects funded under Resolution 3434 on supportive land use policies, as detailed in Attachment D-2.

This resolution was amended on April 26, 2006 to reflect changes in project cost, funding, and scope since the 2001 adoption.

Further discussion of these actions are contained in the MTC Executive Director's Memorandum dated December 14, 2001, July 8, 2005, and April 14, 2006.

Date: December 19, 2001  
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Attachment B  
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**Regional Transit Expansion Policy: Recommended Program of Projects**

PROJECT	COST (millions of 2006 \$)
AC Transit Berkeley/Oakland/San Leandro Bus Rapid Transit	175
AC Transit Enhanced Bus: Hesperian/Foothill/MacArthur corridors	68
BART/Oakland Airport Connector	350
Tri-Valley Transit Access Improvements to BART	464
East Contra Costa BART Extension (eBART)	407
BART to Warm Springs	686
BART: Warm Springs to San Jose/Santa Clara	4,792
Caltrain Express: Baby Bullet ** OPEN FOR SERVICE**	128
Caltrain Electrification	471
Caltrain Express: Phase 2	250
Transbay Transit Center	2,589
Capitol Corridor Expansion	96
Capitol Corridor: Phase 2 Enhancements	100
Regional Express Bus **OPEN FOR SERVICE**	102
MUNI Third Street Light Rail Transit Project - New Central Subway	1,187
Altamont Commuter Express (ACE): service expansion	219
Sonoma-Marin Rail	353
Dumbarton Rail	313
Downtown to East Valley: Light Rail and Bus Rapid Transit Phase 1 and 2	573
Expanded Ferry Service to Berkeley, Alameda/Oakland/Harbor Bay, Hercules, Richmond, and South San Francisco; and other improvements.	180



# ATTACHMENT C: Regional Transit Expansion Policy - Funding Strategy

[Project Capital Cost/Funding in Millions and 2006\$]			Committed Funding					Regional Discretionary Funding											
Project	Sponsor	Project Cost (2006 \$)	TCRP	Sales Tax	Resolution 1876	RTIP	Federal Earmarks	Other [see notes]	Section 5309 New Starts	Section 5309 Small Starts	Section 5309 Fixed Guideway Modernization	Ferryboat Discretionary	RM1	RM 2	AB 1171	ITP	ITIP Intercity Rail	CARB/ AB 434	Capital Shortfall
AC Transit Berkeley/Oakland/San Leandro Bus Rapid Transit	AC Transit	175		20		10	2	3		75				65					-
AC Transit Enhanced Bus	AC Transit	68				7								9					52
Hesperian/Foothill/MacArthur corridors																			
BART/Oakland Airport Connector	BART	350		80		59		140					31	30		10			-
Tri-Valley Transit Access Improvements to BART	BART/ACCMA/ LAVTA	464	25	23		57	11	8					16	65	95	164			-
East Contra Costa BART Extension (eBART)	BART/CCTA	407	5	119		14		6					52	96	115				-
BART to Warm Springs	BART	686	100	203	205	69							24	85					-
BART: Warm Springs to San Jose/Santa Clara	VTA	4,792	649	3,358		149			636										-
Caltrain Express: Baby Bullet	Caltrain JPB	128	127					1											-
** OPEN FOR SERVICE**																			-
Caltrain Electrification	Caltrain JPB	471		308		28		12										29	94
Caltrain Express: Phase 2	Caltrain JPB	250		140												44			66
Transbay Transit Center	TJPA	2,589		301		26	67	444					53	150	150				1,398
Capital Corridor Expansion	CCJPA	96						14									82		-
Capital Corridor: Phase 2 Enhancements	CCJPA	100				2		50						13			35		-
Regional Express Bus																			-
**OPEN FOR SERVICE**																			-
MUNI Third Street Light Rail Transit Project - New Central Subway	Muni	1,187	14	126		83			625										339
Allamont Commuter Express (ACE), service expansion	SJRR, ACCMA, VTA	219		40				8			5						16		150
Sonoma-Marin Rail	SMART SMTA, ACCMA, VTA, ACTIA, Capital Corridor	353	37	24			7	28							35				222
Dumbarton Rail		313		117		15									135		46		-
Downtown to East Valley: Light Rail and Bus Rapid Transit Phase 1 and 2	VTA	573		573															-
Expanded Ferry Service to Berkeley, Alameda/Oakland/Harbor Bay, Hercules, Richmond, and South San Francisco; and other improvements.																			-
TOTAL		180		47			19					25		89					-
		\$ 13,503	\$ 997	\$ 5,479	\$ 205	\$ 518	\$ 106	\$ 714	\$ 1,261	\$ 75	\$ 5	\$ 25	\$ 176	\$ 834	\$ 360	\$ 218	\$ 179	\$ 29	\$ 2,321

## Notes: For all projects, see Terms and Conditions.

Detail on "other" funding is provided below:

1. AC Transit Berkeley/Oakland/San Leandro Bus Rapid Transit: \$2.7 million is federal STP funds.
2. BART/Oakland Airport Connector: \$27 million is Port of Oakland funds and \$113 million private financing.
3. Tri-Valley Transit Access Improvements to BART: \$8 million in Tri-Valley impact fees.
4. East Contra Costa BART Extension: \$6 million in developer fees. Note that \$150 million is included in Measure J for the project. Amounts not shown will be used to offset any cost increases or financing costs.
5. BART: Warm Springs to San Jose/Santa Clara: New Starts request is \$750 million in Year of Expenditure dollars. Confirmation of RTIP commitment pending reconciliation by VTA between the Santa Clara county-wide plan and MTC's Transportation 2030.
6. Caltrain Express: \$1 million is Joint Powers Board member contributions.
7. Caltrain Electrification: \$12 million in regional STP/CMAQ funds.
8. Transbay Transit Center: Other funds include \$4.39 million in land sales and tax increment revenue, and \$5 million in lease and transferable development rights.
9. Muni Third Street Light Rail Project: New Starts request is \$762 million in Year of Expenditure dollars.
10. Capital Corridor Expansion: Other includes \$3 million in STP/CMAQ funds, \$10 million in local funds, and \$0.5 million in Prop. 116 funds.
11. Capital Corridor Phase 2 Enhancements: Other funds include contributions from ACE, UPRR, Port of Oakland, and Emeryville.
12. ACE Service Expansion: Other includes \$8 million in San Joaquin federal fund contributions.
13. Sonoma-Marin Rail: Other includes \$28 million in Prop. 116.

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Revised: 04/26/06-C

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### **Definitions and Assumptions of Regional Discretionary Funding**

- Federal Section 5309 New Starts: the total shown is an estimate for the 25-year RTP period. This estimate trends against recent historical averages of the Bay Area's New Starts funding compared to the nation, an average of 7% over the last 10 years. This represents a target for advocacy in Washington, D.C.; actual authorizations and appropriations are at the discretion of Congress.
- Federal Section 5309 Small Starts: estimate for the 25-year RTP period, beginning with the federal reauthorization in 2005. Small Start Capital Grants may not exceed \$75 million under law. This represents a target for advocacy in Washington D.C.; actual authorization and appropriations are at the discretion of Congress.
- Federal Section 5309 Rail Modernization: These Federal Transit Administration formula funds are eligible for fixed guideway infrastructure projects. In the MTC region these funds are by policy devoted to capital replacement. The funding would replace diesel locomotives with electric locomotives when eligible for the Caltrain Electrification project.
- Federal Ferryboat Discretionary Program: estimate for the 25-year RTP period, beginning with the federal reauthorization in 2005; provides a special category for the construction of ferry boats and ferry terminal facilities. This represents a target for advocacy in Washington D.C.; actual authorization and appropriations are at the discretion of Congress.
- Regional Measure 1 Rail Reserve: the total shown is an estimate for the 25-year RTP period, net of existing commitments to the BART Warm Springs extension. These funds from the base \$1 Bay Bridge toll are directly allocated by the Commission to rail projects in the bridge corridor according to a statutory formula splitting the funds 70% to East Bay projects, and 30% to West Bay projects. This funding estimate assumes debt financing against this revenue stream.
- Regional Measure 2: Regional voter-approved measure providing \$812 million to Resolution 3434 projects. The specific amounts are identified in statute for each project. This funding estimate assumes debt financing against this revenue stream.

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- AB 1171: This is a discretionary funding source passed by the Legislature and signed by the Governor in October 2001. AB 1171 (Dutra) extends the \$1 seismic surcharge (the second half of the current \$2 auto toll) on the seven state-owned Bay Area toll bridges for up to 30 years to finance retrofit work. Under certain financing provisions, a portion of that toll revenue will return to MTC acting as the Bay Area Toll Authority (BATA). This funding can be used for projects consistent with the voter approved Regional Measure 1 program—including congestion relief projects in corridors served by some proposed transit expansion projects—and is estimated over the 25-year period of the RTP to total \$500 million based on debt financing; \$360 million of this amount is being assigned to the Regional Transit Expansion program of projects.
- Interregional Transportation Improvement Program: the total shown is an estimate for the 25-year RTP period; other ITIP funding is assumed for highway and other projects. . An additional estimate for the 25-year period is assumed for the state's Intercity Rail Plan, for Capitol Corridor, Dumbarton Rail, and ACE projects. As ITIP funds are the state's discretionary portion of the State Transportation Improvement Program, this represents a target for advocacy in Sacramento. Actual programming commitments and allocations are at the discretion of the California Transportation Commission.
- CARB/AB 434: Both the California Air Resources Board (CARB) and the Bay Area Air Quality Management District (AB 434) administer discretionary funding programs focused in whole or in part on reducing emissions from diesel engines. \$29 million is assumed from the two programs combined to help fund the Caltrain electrification project. This funding target for advocacy over the RTP period is sized to the annual funding levels of the two programs.

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## **Terms and Conditions**

### **General Terms**

1. Operating Funding – In order for an extension of service to be included in the Regional Transportation Plan (RTP), the project sponsor must provide evidence of its ability to fund operation of the service for a minimum of 10 years, or the duration of operations within the 25-year RTP time horizon, whichever is longer. These financial capacity determinations must also include a demonstration of the transit operator's ability to sustain levels of core bus services to low-income and minority populations, as required under MTC Resolution No. 3357. Should the transit operator's financial stability deteriorate, or the expansion project in question experience significant cost increases, these financial capacity determinations will be revisited in MTC's review of the operator's applicable Short Range Transit Plan.
2. Cost Increases – Commitments of regional discretionary funds (Section 5309 New Starts, Small Starts, and Fixed Guideway Modernization, Regional Measure 1 Rail Reserve, ITIP, AB 1171, CARB/AB 434, Regional Measure 2, Ferry Boat Discretionary) are capped at the amounts shown in Attachment C in 2006 dollars. Escalation adjustments will be made at the time funds are secured or allocated, except for bridge toll funds that are shown in year-of-financing dollars. Project sponsors are responsible for funding any cost increases (including financing costs) above the estimates shown in Attachment C from other sources. Funding shortfalls must be addressed for projects to be included in the Regional Transportation Plan.
3. Amendment – The Commission shall consider amending this regional transit expansion program following the passage of major new funding sources that could advance projects with current shortfalls into the RTP. New funding sources also could be used to offset cost increases for projects already included in the RTP.
4. Station Access Planning: Consistent with recommendations of MTC's Regional Bicycle Plan, all new transit stations that are built as result of Resolution No. 3434 investments must provide direct and convenient pedestrian and bicycle access from adjacent walkways and bicycle facilities. Station access planning shall be consistent with the conclusions reached from the evaluation of FSM 5 in the 2001 Bay Area Ozone Attainment Plan.

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### Specific Conditions

1. Section 5309 New Starts – The region's first priority for federal New Starts funds is the BART extension to San Francisco International Airport until such time that the project receives its final appropriation from Congress, currently expected in 2006. Thereafter, the BART Warm Springs to San Jose extension and the Muni Central Subway project will share equal priority.
2. Section 5309 Small Starts – The region's priority for federal Small Starts funds is the AC Transit Oakland/San Leandro Bus Rapid Transit Project. Given that the regulations are still being finalized and that there are other projects in the region that may be eligible and have a demonstrated need for more secure funding, the Commission may consider endorsing one additional regional candidate project after FTA finalizes the regulations.
3. AB 1171 – These funds will be subject to terms and conditions established by MTC acting as the Bay Area Toll Authority (BATA) and are contingent upon the availability of excess toll revenue net of debt service. The balance of these funds not committed in Attachment C will be reserved as follows: \$100 million reserved for the north connector and weave correction components of the I-80/680 interchange project, and \$40 million for other congestion relief improvements in the Northern Bridge group—Antioch, Benicia-Martinez, Carquinez and Richmond-San Rafael — corridors. Should AB 1171 funds exceed \$500 million, the next increment up to \$60 million will also be reserved for Northern Bridge group corridor improvements. The next increment above the \$60 million will be distributed evenly between the East Contra Costa BART Extension (eBART) and Tri-Valley Transit Access Improvements to BART projects, not to exceed \$25 million each, in addition to the sums stipulated in Attachment C. Any increment above these amounts will be allocated at the discretion of the Commission.
4. BART Warm Springs to San Jose – In addition to the general terms for operating funding imposed on all projects, the BART Warm Springs to San Jose project is included in the RTP contingent upon approval by the BART and VTA Boards of an operating and maintenance agreement regarding extension of service into Santa Clara County and associated impacts of the extension on the core BART system. If a TDA "licn" is implemented pursuant to the BART/VTA agreement after 2009, MTC will condition allocation of the remaining TDA funds subject to the following:

At the time that the BART to San Jose extension commences revenue service, or at any point thereafter, should VTA's bus service levels have not achieved, or later fall below, a

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600 fleet/500 peak target, then MTC shall hold public hearings at which VTA must demonstrate that services to Title VI communities have been assured, based on MTC's Lifeline Transportation analysis, as validated and amended by transit operators and the Congestion Management Agencies.

Should VTA choose to identify TDA funds as the guaranteed operating and maintenance subsidy pursuant to the BART/VTA agreement and demonstrate that it has secured other funding sources to replace the TDA revenue so guaranteed, then MTC shall not condition its allocation of TDA funds as described above.

5. Caltrain Rapid Rail/Electrification: To close the shortfall for the project, the three Peninsula JPB agencies must confirm their commitment to a funding split of 1/3, 1/3, 1/3 for the balance of the project funding after considering the expected contributions from CARB/AB434 and STP/CMAQ funds. This commitment must be provided prior to the next revision to Resolution 3434 or by the 2009 RTP, whichever occurs first.
6. Caltrain Express Phase 2: Before the next revision to Resolution 3434 or by the 2009 RTP, whichever occurs first, Peninsula JPB member agencies agree to define the member contributions for the funding plan.
7. Downtown to East Valley: Light Rail and Bus Rapid Transit: Before the next revision to Resolution 3434 or by the 2009 RTP, whichever occurs first, VTA will confirm their funding commitment through Measure A, or identify alternative revenue sources that may be requested to close any funding shortfall that could result should the Measure A expenditure plan not cover the entire cost.

## **Comments received on Resolution 3434**

San Francisco County Transportation Authority

100 Van Ness Avenue 26th Floor  
 San Francisco, California 94102  
 415.572.4800 FAX 415.522.4829  
 info@sfcta.org www.sfcta.org

April 7, 2006

Steve Heminger, Executive Director  
 Joseph P. Bort MetroCenter  
 101 Eighth Street  
 Oakland, CA 94607

Subject: Resolution 3434 Update

Dear Mr. Heminger:

Thank you for the opportunity to comment on the proposed update to Resolution 3434, the Regional Transit Expansion Policy (RTEP), to be considered by the MTC at the April 26 Commission meeting. We recognize the importance of reaffirming regional commitments to the projects in the Resolution 3434, particularly given the time it takes for major capital projects to meet the required planning milestones and secure necessary funding for implementation.

We understand that the Bay Area must speak with one voice in order to be most effective in its advocacy for federal and state discretionary funds. San Francisco's commitment to Resolution 3434 priorities has been solid from the start. Since 2001, we have taken tangible steps to substantiate that commitment. Our local sales tax for transportation, Prop K, approved in 2003, provides significant funding for the Central Subway, Caltrain Downtown Extension to a rebuilt Transbay Transit Terminal, and Caltrain Electrification projects. The Authority has also recommended programming of San Francisco county share funds in the State Transportation Improvement Program (STIP) to Caltrain electrification and the Transbay project, and has committed to fulfilling the remaining Resolution 3434 commitments in future STIP cycles.

As regards the proposed Resolution 3434 changes, we cannot support the MTC staff recommendation, included in the March 3, 2006 memo to the MTC Planning Committee, that would have the region initially advocate for funding for only one project in the new federal Small Starts program, namely the \$75 million request for AC Transit's Telegraph/International/East 14<sup>th</sup> Street Bus Rapid Transit (BRT) project. When the groundwork was laid for Resolution 3434, the concept of BRT was just beginning to be considered in the Bay Area. There was some talk of including BRT in the RTEP, but MTC staff's position at the time was that we would deal with this mode later, similar to the way that ferry projects were treated. Consequently, there was no regional discussion and no public debate about how BRT would fit in the region's overall transit network, or how BRT projects should be prioritized vis-a-vis other transit expansion projects that were under discussion at the time. As a result, there was no process to encourage project sponsors to submit candidate BRT projects although, at our request, the January 30, 2002 amended RTEP did include \$600,000 to develop a Geary rapid transit study, which would later become the Geary Corridor Bus Rapid Transit Study, under preparation today. Given these circumstances, it would be neither appropriate nor fair to limit the discussion of eligibility for Small Starts to projects already included in the original Resolution.

Since Resolution 3434 was adopted in December 2001, BRT has evolved into a new transit mode, distinct from express bus and rail extensions. The San Francisco Countywide



Moving the City.

## COMMISSIONERS

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José Luis Mascovich  
EXECUTIVE DIRECTOR



Heminger, 04.07.06

Page 2 of 2

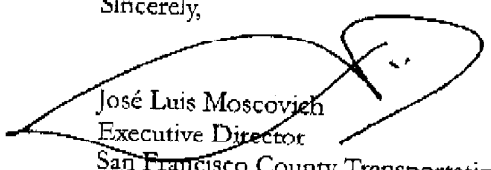
Transportation Plan and MTA's Vision for Rapid Transit in San Francisco both identify BRT as essential for maintaining and growing transit's mode share in the city through faster, more reliable, rail-like service that can be implemented more quickly, at much lower cost and with fewer construction impacts than rail alternatives. BRT is intended to complement the existing and planned rail network in the city including the MTA's existing Metro lines and the new Central Subway, as well as BART, and Caltrain.

In November 2003, by a 75% vote, the San Francisco electorate approved the Prop K Expenditure Plan which specifically features BRT on Van Ness Avenue and Geary Boulevard among the major capital projects. Studies for both of these BRT projects are underway as a collaborative effort between our two agencies, and are currently in the conceptual engineering phase. The Van Ness Avenue BRT project is poised for quicker implementation to capitalize on other planned improvements along the corridor, including resurfacing, and intelligent transportation system projects, which are at substantially funded, and in close coordination with the Mayor's City Greening initiative. As the MTC staff memo notes, the Small Starts program is in its infancy. We don't have certainty about what will compete well for funding, but we are confident that both the Geary and Van Ness projects have the ridership and other attributes that FTA is looking to support.

Absent a regional discussion about BRT's place in the region's overall transit strategy, it does not seem appropriate for MTC to advocate for the AC Transit project as the region's only priority for Small Starts funding. This strategy might even sub-optimize the amount of funds that the Bay Area will receive from the program, particularly given that the guidelines are still being finalized. While we support the updated language in 3434 in general, we respectfully request that action on the BRT language be postponed until a regional discussion can take place. In the meantime, we intend to continue advocating for a wide array of funds, including Small Starts, for our Van Ness Avenue and Geary Boulevard BRT projects.

We appreciate the effort that went into this update of Resolution 3434 and look forward to engaging with you and the Bay Area Partnership in a meaningful dialogue about the future of BRT in the region.

Sincerely,

  
José Luis Moscovich  
Executive Director

San Francisco County Transportation Authority

cc: Mayor Gavin Newsom  
SFCTA Commissioners  
MTA Board Members  
MTC Coms. Jon Rubin, Tom Ammiano  
N. Ford, B. Lieberman - MTA  
A. Bockelman, MTC  
M. Lombardo, T. Chang, R. Pimentel - SFCTA

**Municipal Transportation Agency**

Gavin Newsom, Mayor  
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Michael Kasolas, Vice Chairman  
Shirley Brayer Black  
Will Din  
Rev. Dr. James McGree, Jr.  
Peter Mezey  
Nathaniel R. Ford, Sr., Executive Director



April 6, 2006

Mr. Steve Heminger  
Executive Director  
Metropolitan Transportation Commission  
Joseph P. Bort Metro Center  
101 Eighth Street  
Oakland, CA 94607

Dear Steve,

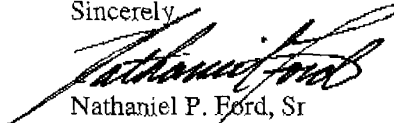
Thank you for the opportunity to comment on the proposed update to Resolution 3434, the Regional Transit Expansion Policy (RTEP), pending consideration by MTC at the April 14 Planning Committee meeting and the April 26 Commission meeting. We appreciate your efforts to reaffirm the region's commitment to current projects in Reso. 3434—including San Francisco Muni's Central Subway project—given the challenge these projects face in securing critical local, state and federal funding.

With regard to the proposed Reso. 3434 update, however, we are concerned by the MTC staff recommendation that would have the region initially advocate for only one project in the new federal Small Starts program. As you know, the regulations for this program have not yet been released and we should not preemptively limit our opportunity to compete for these funds. The projects that the region might consider advancing for this new competitive program, including Bus Rapid Transit (BRT) projects, deserve due consideration in a larger conversation about how BRT would fit in the region's overall transit network and how those projects should be prioritized. Following up on our recent conversations, I believe you recognize the substantive merit of projects such as Van Ness BRT and Geary BRT and that these projects are most deserving of priority attention going forward.

We recognize the challenge the region faces when it comes to balancing competing needs but we also know that good projects fare the best when subject to the scrutiny of the federal funding process. In San Francisco, BRT investment has been identified as essential for maintaining and growing transit's mode share in the city through faster, more reliable, rail-like service that can be implemented more quickly, at much lower cost and with fewer impacts. We request that you keep the opportunity open going forward to advance worthy projects such as Van Ness BRT and Geary BRT within Reso. 3434 and not limit the advocacy to one single small starts project for the entire 9-county region.

Again, thank you the opportunity to comment on Reso 3434. I look forward to working with you on this important process.

Sincerely,



Nathaniel P. Ford, Sr  
Executive Director/CEO

cc: Mayor Gavin Newsom  
MTA Board Members  
MTC Commissioners Jon Rubin, Tom Ammiano  
Jose Luis Moscovich, SFCTA  
W. Lieberman, SFMTA

**From:** "David Schonbrunn" <David@Schonbrunn.org>  
**To:** <abockelman@mtc.ca.gov>  
**Date:** 4/7/2006 12:53:59 AM  
**Subject:** Comments on Regional Transit Expansion Program Update

As one of my colleagues pointed out, the AC Transit Rapid Bus, Capital Corridor and Caltrain Baby Bullet projects are the only successful transit projects he could identify that were ever funded by MTC. While this might possibly be an exaggeration, these projects did have strong ridership growth, unlike most MTC projects we are aware of. That makes it especially piquant that the second phases of these projects are being dropped from the list, while very expensive dogs are being left on it.

We believe that MTC project selection has never been about generating ridership. Certainly, its twenty-three year failure to raise regional ridership by 15% over 1982 levels speaks volumes about what is important to MTC.

If MTC's goal with this update is to make the financing of the program more realistic, the obvious thing to do would be to eliminate BART to San Jose and the BART Oakland Airport Connector. These projects are horribly expensive, their ridership projections are sheer fantasy (or outright fraud), and their chances of being built are quite low.

If MTC ratifies the staff proposal, it will do so only by consciously ignoring the central importance of cost effectiveness and the goal of increasing transit ridership. This list is about pork, period.

We request you place this comment in the Commission Agenda packet.

--David

David Schonbrunn, President  
Transportation Solutions Defense and Education Fund (TRANSDEF)  
16 Monte Cimas Avenue  
Mill Valley, CA 94941  
415-380-8600  
415-383-0776 fax

Transdef.org  
David@Schonbrunn.org

**CC:** <leslie.rogers@fta.dot.gov>

**Alix Bockelman - Re: Comments on Regional Transit Expansion Program Update**

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**From:** Alix Bockelman  
**To:** David Schonbrunn  
**Date:** 4/7/2006 5:04 PM  
**Subject:** Re: Comments on Regional Transit Expansion Program Update  
**CC:** leslie.rogers@fta.dot.gov; Therese McMillan

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David,

Thank you for your comments. We review all comments and distribute them to the Commission as well.

Yours and other comments were considered prior to the development of a final recommendation on the update of the Regional Transit Expansion Program, Commission Resolution 3434 originally adopted in 2001. You can find the proposal to update this effort on our web site at [www.mtc.ca.gov](http://www.mtc.ca.gov) (under the Planning Committee) and we look forward to seeing you at the Planning Committee meeting, Friday April 14<sup>th</sup> at 9:30am.

Please feel free to call me at 510.817.5850 if you have questions.

Sincerely,

Alix Bockelman

Alix Bockelman  
Director, Programming and Allocations  
Metropolitan Transportation Commission  
510.817.5850  
[abockelman@mtc.ca.gov](mailto:abockelman@mtc.ca.gov)

>>> "David Schonbrunn" <[David@Schonbrunn.org](mailto:David@Schonbrunn.org)> 4/7/2006 12:57 AM >>>  
As one of my colleagues pointed out, the AC Transit Rapid Bus, Capital Corridor and Caltrain Baby Bullet projects are the only successful transit projects he could identify that were ever funded by MTC. While this might possibly be an exaggeration, these projects did have strong ridership growth, unlike most MTC projects we are aware of. That makes it especially piquant that the second phases of these projects are being dropped from the list, while very expensive dogs are being left on it.

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16 Monte Cimas Avenue  
Mill Valley, CA 94941  
415-380-8600  
415-383-0776 fax

Transdef.org  
David@Schonbrunn.org

## **Alix Bockelman - Disconnected Planning?**

---

**From:** <Cautn1@aol.com>  
**To:** <abockelman@mtc.ca.gov>  
**Date:** 4/6/2006 6:00 PM  
**Subject:** Disconnected Planning?

---

Dear Ms. Bockelman,

This afternoon I learned that MTC has been quietly working on a Regional Transportation Expansion Program and that you are planning to close the public comment period in two days. Is this true?

I'm also informed that your plan is dominated by three very expensive projects; none of which are projected to generate enough patronage to justify their high costs; namely the BART-to- San Jose extension, the San Francisco Central Subway and the Bay Ferry Program. This is disappointing.

I have three questions:

- 1.) Is the above true?
- 2.) The Bay Regional Rail Study offers the Bay Region the opportunity of developing its future transportation system in a wise and far-sighted manner. Why is the Regional Transportation Expansion Program (RTEP) being developed in advance of the Bay Regional Rail Study?
- 3.) Why is the RTEP dominated by such universally discredited projects as the San Jose BART extension, the Central Subway and the ferry boat program?

G. Cauthen

**Alix Bockelman - Re: Disconnected Planning?**

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**From:** Alix Bockelman  
**To:** Cautn1@aol.com  
**Date:** 4/7/2006 5:09 PM  
**Subject:** Re: Disconnected Planning?

---

G. Cauthen:

Thank you for your questions and comments on the update to Resolution 3434. We review all comments and distribute them to the Commission as well.

Yours and other comments were considered prior to the development of a final recommendation on the update of the Regional Transit Expansion Program, Commission Resolution 3434 originally adopted in 2001. You can find the proposal to update this effort on our web site at [www.mtc.ca.gov](http://www.mtc.ca.gov) (under Planning Committee) and we look forward to seeing you at the Planning Committee meeting, Friday April 14<sup>th</sup> at 9:30am.

With respect to some specific questions in your comments on this item, I hope the answers below are adequate.

The Commission considered this update to the Regional Transit Expansion Program at its Planning meeting held on March 3<sup>rd</sup>, 2006 and have featured the recommended update on the front page of the MTC website since that time. The Commission's commitment to the regional transit expansion program, adopted, as Commission Resolution 3434 is, in fact a successor to a 1988 regional transit expansion program adopted then in Resolution 1876.

The new effort, Resolution 3434, was first adopted in 2001 as part of the full update of the San Francisco Bay Area's Regional Transportation Plan. The Regional Transportation Plan was the result of a multi-year planning process that included many public meetings and a very comprehensive public outreach program.

With respect to the Regional Rail Study, the Commission is managing that effort with Caltrain and BART and the completion of that study may affect future updates of Resolution 3434 or a longer-term effort through a successor program.

Sincerely,

Alix A. Bockelman

Alix Bockelman  
Director, Programming and Allocations  
Metropolitan Transportation Commission  
510.817.5850  
[abockelman@mtc.ca.gov](mailto:abockelman@mtc.ca.gov)



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G. Cauthen